(a) whether clear guidelines in respect of conditions and concessions in respect of Foreign Investment Promotion Board have been finalised;

(b) whether opportunities would be given on identical terms to the domestic industry for bidding;

(c) whether the issues concerning environment, child labour, labour standard and increasing use of anti-dumping measures have been finalised; and

(d) whether the threat of emerging trade blocks has also been analysed?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) The Government have recently with the approval of the Cabinet, re-constituted the Foreign Investment Promotion Board (FIPB). FIPB has been re-constituted with a view to promoting the inflow of foreign direct investment in India—(i) by undertaking investment promotion activities and (ii) through facilitating investment in the country by international companies, non-resident Indian (NRIs) and other foreign investments and to ensure expeditious clearances of the proposals for foreign investment.

The guidelines incorporating the functions of the FIPB and the procedures to be followed by it have been laid down. The process of simplification/rationalisation of guidelines for consideration of foreign investment proposals, is an ongoing process. The domestic industry enjoys equal opportunities to compete in the international market and has full freedom to choose foreign joint venture partners, the level of equity participation, the terms of payment for technology transfer and the like.

Steep rise in prices of essential commodities

1801. SHRI GURUDAS DAS GUPTA: Will the Minister of CIVIL SUPPLIES, CONSUNER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that there has been steep rise in prices of essential commodities; and

(b) if so, steps being considered to tackle price rise?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) Percentage variations in the Wholesale Price Index Numbers during April-November, 1996 and during the corresponding period of the last two years in respect of selected essential commodities are given in the enclosed statement (*See* below):

(b) Government has accorded the highest priority to the control of prices of essential commodities. Apart from certain long term measures to increase the production of essential goods, imports under Open General Licence (OGL) of items which are in short supply like edible oils and pulses are encouraged to augment the total availability of these items. Some of the commodities are also supplied through the Public Distribution System and Cooperative Stores at below market prices. Stringent actions are being taken against hoarders and black marketeers and others indulging in unfair trade practices under the Essential Commodities Act and Prevention of Black Marketing and Maintenance of

supplies of Essential Commodities Act etc. by the State/UT Governments.

steel by Rs. 230 crores. The increase in prices with effect from 20.10.96 will have

Statement

Trend in the Wholesale Price Indices (WPI) of selected essential commodities 1994—96

Commodity	Percentage Variation		
	19.11.94	18.11.95	16.11.96
	25.3.94	25.3.95	30.3.96
Rice	8.6	7.2	10.4
Wheat	−0.2	−3.7	20.6
Gram	17.8	−22.0	31.1
Arhar	0.1	40.0	2.6
Onions	47.9	152.7	13.4
Tea	23.5	67.7	11.0
Sugar	−4.4	3.8	1.6
Groundnut Oil	11.1	1.4	1.9
Mustard Oil	16.7	5.0	−0.9
Vanaspati	9.3	−4.8	1.3
Salt	3.6	93.1	6.0

Impact of coal price increasse on SAIL

1802. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of STEEL be pleased to state:

(a) the likely impact of the two latest increases in the prices of coal by the Coal India Limited, on the cost of production in SAIL plants and consequently on the prices of steel;

(b) in what manner such cost increases are sought to be neutralised, partially or fully;

(c) in what manner the relative disadvantage of SAIL plants vis-a-vis TISCO and VSP, arising out of such price increases of domestic coal, is sought to be overcome; and

(d) the future strategy of SAIL to meet its coking coal requirements of appropriate quality?

THE MINISTER OF STEEL & MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA): (a) For SAIL, the increase in indigenous coking coal price with effect from 1.4.96 will increase the cost of production of have an adverse impact of Rs. 180 crores on cost of production on annualised basis.

(b) and (c) In an effort to compensate input cost increases on account of coal price increase and other input cost escalations, SAIL has taken various measures viz. higher production/better product-mix, improved techno-economics i.e. reduction in coke rate, energy consumption, BF productivity and strict control and monitoring of operating cost, etc.

(d) In addition to development of captive mines, efforts are made to off-set the high ash of indigenous coking coal by using low ash superior quality imported coking coal. The coal companies are regularly apprised about the poor quality of indigenous coal. There is also constent interaction between SAIL & CIL on issues related to quality.

Loses by SAIL due to dubious deals

1803. SHRI K.R. MALKANI: Will the Minister of STEEL be pleased to state: